

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON AGRICULTURE

Call to Order: By **CHAIRMAN DIANE RICE**, on March 25, 2003 at 3:00 P.M., in Room 303 Capitol.

ROLL CALL

Members Present:

Rep. Diane Rice, Chairman (R)
Rep. Verdell Jackson, Vice Chairman (R)
Rep. Ralph Lenhart, Vice Chairman (D)
Rep. Joan Andersen (R)
Rep. Norman Ballantyne (D)
Rep. Bob Bergren (D)
Rep. Norma Bixby (D)
Rep. Carol Lambert (R)
Rep. Bruce Malcolm (R)
Rep. Jim Peterson (R)
Rep. Brennan Ryan (D)
Rep. Veronica Small-Eastman (D)
Rep. Frank Smith (D)
Rep. Donald Steinbeisser (R)
Rep. Bill Thomas (R)
Rep. Karl Waitschies (R)

Members Excused: None.

Members Absent: None.

Staff Present: Lisa Gallagher, Committee Secretary
Krista Lee Evans, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape stamp refers to material immediately following.

Committee Business Summary:

Hearing & Date Posted: SB 213, 3/7/2003; HB 759, 3/21/2003
Executive Action: SJ 8; SB 213; HB 759

HEARING ON SB 213

Sponsor: SENATOR LINDA NELSON, SD 49, Medicine Lake

Opening Statement by Sponsor:

{Tape: 1; Side: A; Approx. Time Counter: 0.2 - 3.5}

SEN. NELSON said that what this bill does is increase the maximum wheat and barley assessment collected by the Department of Agriculture. The current funding mechanism has been in place for 16 years. This assessment is fully refundable, but very few ask for it back.

Proponents' Testimony:

Ralph Peck, Director of Montana Department of Agriculture, submitted his written testimony.

EXHIBIT (agh63a01)

Herb Karst, President of Montana Grain Growers Association, submitted his written testimony.

EXHIBIT (agh63a02)

{Tape: 1; Side: A; Approx. Time Counter: 6.5 - 7}

John Youngberg, Montana Farm Bureau, said that this is a voluntary program which is fully refundable and they support this bill.

Barbara Broberg, Women Involved in Farm Economics, said that they have directly benefitted from this program, and that they support this bill.

Chris Christiaens, Montana Farmers Union, said that they are in support of this bill.

Opponents' Testimony: none

Informational Testimony:

Dan Kidd, Chairman of the Wheat and Barley Commission, said that he was there if the Committee had any questions.

Questions from Committee Members and Responses: none

{Tape: 1; Side: A; Approx. Time Counter: 9.5 - 9.9}

Closing by Sponsor:

SEN. NELSON said that this is something that the producers want and urged the Committee to support this bill.

HEARING ON HB 759

Sponsor: REPRESENTATIVE JIM PETERSON, HD 94, Buffalo

Opening Statement by Sponsor:

{Tape: 1; Side: A; Approx. Time Counter: 11.1 - 19.2}

REP. PETERSON said that finding a solution to this problem has been a challenge and the solution might be the Chronic Wasting Disease (CWD) surveillance and prevention program designed in HB 759. This bill has three components; 1)research, 2)surveillance, 3)compensation. The end result will be no game farms in the state. The sportsman like the idea of developing a live test for CWD. This bill provides the landowner an opportunity to sign up for the program and their elk become property of the state to use for research. The game farm owner will agree not to import or export elk out of Montana and they will forfeit their licenses by the year 2007. The game farm owner will be compensated and this program will cost the state \$5.5 million per year. Montana State University received a grant from the Department of Interior for \$400,000 to study this issue and try and develop a live-animal test along with a vaccine. This is a difficult issue to solve, but the state is trying to get ahead of the curve and be productive. The challenge is to find the money to fund this program. House Bill 759 is a good compromise.

Proponents' Testimony:

{Tape: 1; Side: A; Approx. Time Counter: 19.7 - 24.6}

Rick Ripley, HD 50, said that this Committee has been through this before with HB 379. There are many issues that are before this Committee and HB 759 is a compromise bill. It is a win, win situation for all. The sportsmen win because there is ongoing research for a live test for CWD. The opposition will say that they do not want the sportsmen dollars to pay for this program. Hopefully there will be an opportunity to supplement the license dollars with federal dollars. Initiative 143 only passed by one percent, and their campaign for I-143 consisted of lies. He urged the Committee to support this bill.

{Tape: 1; Side: A; Approx. Time Counter: 24.7 - 30}

Ken Mesaros, Elk Rancher, said that this bill is a fair compromise and it will bring final resolution to the game farms and address the CWD issues. This bill is a win, win situation for all and it is responsible and reasonable.

{Tape: 1; Side: B; Approx. Time Counter: 0 - 0.9}

Myra Bridgewater, Montana Alternative Livestock Producers (MALP), said that the prices in the bill are fair and this is not an overpaid buyout for a failed industry. She urged the Committee to support this bill.

{Tape: 1; Side: B; Approx. Time Counter: 1 - 7.5}

Bob Spokie, Kalispell, said that no elk rancher wanted to be put out of business the next day after the election. Most initiatives have a day of January 1, but this bill had an immediate effect date and this hurt the elk ranchers bad. The wild elk belong to everyone in Montana. There is no such thing as sportsmen's dollars. This is a win, win situation. The game farm owners are getting about \$.25 on the \$1.00 from this buyout. The game farm owners would like their ranches back so that they can contribute to the local economy. The game farm owners do not have the money to fight this group out in Washington D.C. that funded I-143. He said that this Committee should not let the "orange vests" in the room drive a wedge between urban and rural Montana. Montana is too small of a community. This is a good bill and the Committee should support it. He passed around a "No Hunting Sign."

EXHIBIT (agh63a03)

{Tape: 1; Side: B; Approx. Time Counter: 7.8 - 8.4}

Brian Tutvedt, Kalispell, said that if the sportsmen are really concerned with CWD then they will support HB 759.

Becky Mesaros, Elk Rancher, said that \$5.5 million is not a large fallout, it is less than four years of gross income. The female elk are the factories; they grow the industry. She said that she would be willing to participate in this program even though it is a huge compromise. If CWD is a concern then this is the true solution.

{Tape: 1; Side: B; Approx. Time Counter: 12.7 - 13.2}

Skip Newman, Elk Rancher, said that this bill falls short in the livestock area, but he still supports the bill.

Collette Newman, Elk Rancher, said that if CWD is an issue then just-compensation is right. House Bill 759 is less than fair compensation.

Charles Taylor, Elk Rancher, said that he has never bought or sold a female elk for below \$7,500, and on the average \$6,000 for a male elk. He said that he is willing to except this compromise, because it will phase out a controversial industry. He also submitted written testimony from Phyllis Taylor.

EXHIBIT (agh63a04)

Pat Corbett, Sidney, said that she urged the Committee to support this bill.

Richard Hier, Farmer, said that he is a small farmer and eleven years ago he got into elk ranching, and his license was taken away over night, but this is a compromise that he is willing to make.

Lew Reeves, MALP, said that he is in support of this bill.

Gary Cuthbertson, Kalispell, said that he owns an elk ranch and he jumped through the hoops to get his license and he invested his retirement into this industry because of his license. He also said that he supports this bill.

Terril Raaum, MALP, said that if sportsmen are scared of CWD then this is the perfect opportunity for research.

Carol Relch, Buffalo, said that they have been game farmers for nine years. The game farm industry was good until 2000. She urged the Committee to support this bill.

Bill Bloom, Elk Rancher, said that he supports this bill.

Gerri Backes, Kalispell, said that she supports this bill.

John Bloomquist, Montana Stock Growers Association, said that if CWD is a concern then this bill is proactive and the appropriate solution. If CWD is not a concern then another approach needs to be taken. He told the Committee that they need to get the right answers and he said that he hopes this will help the members of the Stock Growers Association who followed the law.

{Tape: 1; Side: B; Approx. Time Counter: 26.5 - 27.9}

Kim Kaufka, Havre, said that I-143 advocates theft of private property. He said that he has been a sportsman all his life and he allows public hunting on his land, but this year he is going

to be very selective as to who gets the rights to hunt on his land. He also said that he reluctantly supports this bill.

Opponents' Testimony:

Robert Throssell, Montana Wildlife Federation, said that the Montana Wildlife Federation supports the study of CWD and until the risks of CWD are fully understood there is a threat to the health and well being of people. Using sportsman money to buyout game farms is a misuse of this money. House bill 759 is trying to divert people's attention away from what it is really doing by using research as a way to buyout the game farms. This bill assumes that the only ones who will benefit from this are the sportsman when the livestock industry will benefit but they are not being asked to help fund this program. Fair market value for an elk is not around \$8,000, it may have been before I-143, but it is not today. The Montana Wildlife Federation supports the elimination of game farms. The game farmers want a buyout. Well, there are other businesses in Montana that would like some help with their business. This bill will not end CWD, and he asked the Committee do not pass HB 759.

{Tape: 2; Side: A; Approx. Time Counter: 4.8 - 8.9}

David Stalling, Montana Wildlife Federation, submitted his written testimony.

EXHIBIT (agh63a05)

{Tape: 2; Side: A; Approx. Time Counter: 9 - 12.3}

Jim Posewitz, Helena, submitted his written testimony.

EXHIBIT (agh63a06)

{Tape: 2; Side: A; Approx. Time Counter: 12.5 - 17.9}

Dale Burk, Ravalli County Fish & Wildlife Association, submitted his written testimony.

EXHIBIT (agh63a07)

John Wilson, Montana Trout Unlimited, addressed Page 9, new section 11 and 12 of the bill. He also said that half of the money that is in the account is from fishing licenses. They do not want the fishing money to be used to buy elk. He said that they are opposed to using fishing money for this program.

Joe Gutkoski, Bozeman local Rod & Gun Club, said that Fish, Wildlife & Parks are capable of handling CWD, and that the Committee should oppose this bill, because this money should not be used to buy elk.

Robert Francis, Montana Bowhunters, submitted his written testimony.

EXHIBIT (agh63a08)

Susan Campbell Reneau, Missoula, said that this bill is as bad as HB 379. This is a proposed buyout and it is obvious that this is what the game farmers want. We do not want our money going towards buying out a dying industry. Initiative 143 was written to prevent disease and when animals are in closed areas they get diseases. Initiative 143 did not take anything away from game farmers except the right to shoot caged animals. They still can sell the meat and the horns from the animals. We do not have CWD in the wild. She told the Republicans on the Committee to vote against this and not to turn their backs on the voters of this state.

{Tape: 2; Side: A; Approx. Time Counter: 29 - 29.8}

Louis Goosey, Park County Rod & Gun Club, submitted his written testimony.

EXHIBIT (agh63a09)

{Tape: 2; Side: B; Approx. Time Counter: 0 - 1.2}

Gayle Joslin, Montana Association of Fish & Wildlife Biologists, submitted her written testimony.

EXHIBIT (agh63a10)

Gayle Joslin also submitted written testimony from Bev Dixon, President Montana Chapter of the Wildlife Society.

EXHIBIT (agh63a11)

{Tape: 2; Side: B; Approx. Time Counter: 1.4 - 12.2}

Bob Lane, Chief Legal Counsel for Montana Fish, Wildlife & Parks, submitted his written testimony.

EXHIBIT (agh63a12)

{Tape: 2; Side: B; Approx. Time Counter: 12.3 - 13}

Harold Holste, Ravalli County, submitted his written testimony.

EXHIBIT (agh63a13)

{Tape: 2; Side: B; Approx. Time Counter: 13.1 - 13.6}

Tony Shoonen, Butte, submitted his written testimony.

EXHIBIT (agh63a14)

Sarah McCullough, Montana Audubon Society, submitted her written testimony.

EXHIBIT (agh63a15)

Ira Holt, Hamilton, said that he concurs with the other reasons for opposing this bill.

Dave Van Tighem, Great Falls, submitted his written testimony.

EXHIBIT (agh63a16)

Ron Litostansky, Great Falls, submitted his written testimony.

EXHIBIT (agh63a17)

Darrel Baker, Anaconda Sportsmen Club, said that he is opposed to this bill because they should not have to bail out bad business.

Glenn Hockett, President Gallatin Wildlife Association, submitted his written testimony.

EXHIBIT (agh63a18)

Informational Testimony:

Dr. Tom Linfield, Department of Livestock, said he will be available for questions.

Evaleen Starkel, Department of Livestock, said she will be available for questions.

Allen Harmsen, Montana State University, said that it is his Department that received a grant for research of CWD. It is the goal of his Department to find a live test, and a cure for CWD. The resources in this bill would help his Department meet their goals. It takes a lot of animals and testing to do this research. There is very little money to do research on CWD, therefore there are very few people that do this research.

{Tape: 2; Side: B; Approx. Time Counter: 21 - 23.9}+

Mark Taylor, Lawyer, said that there has been no court that has addressed the takings issue. Fish, Wildlife and Parks have been using general licensing dollars to regulate the game farms for years. He submitted information from 1995 on SB 173.

EXHIBIT (agh63a19)

Charlie McCarthy, Deer Lodge, said that a ranch in Philipsburg is the only place in the state that has had CWD. He will not eat meat from there, because of this disease. He can't hunt there anymore and he can't have his meat processed there anymore.

Questions from Committee Members and Responses:

REP. LAMBERT asked Robert Throssell how many members does the Montana Wildlife Federation have. **Robert Throssell** said they have about 7,000 members.

REP. LAMBERT asked Robert Throssell how many of their members were out-of-staters. **Robert Throssell** said he did not have those numbers, but the majority of their members are in the state of Montana.

REP. LENHART asked Bob Lane what programs will the Department of Fish and Game cut if they have to take this financial hit. **Bob Lane** said that he does not have the information, but that the Department would handle it in two ways. One, there would just be less money and they would have to cut programs. Two, the funding that would be lost would be made up by a licensing increase. The Department has not had the time to develop the answers but they are looking into these options.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 4.8}

REP. LENHART said that in Line 18 of the bill it talks about "available non-state money." **REP. LENHART** asked **REP. PETERSON** what he had in mind. **REP. PETERSON** said that he hoped to get federal grant funds through the Department of Interior to help fund this program. It would be matching dollar for dollar. This is not a new idea; there have been other states that have received federal funds for the research and prevention of CWD.

{Tape: 3; Side: A; Approx. Time Counter: 5 - 15.9}

REP. THOMAS asked Allen Harmsen what the odds are that they will come up with a cause and a cure for CWD. **Allen Harmsen** said it is hard to put a number on. The ultimate goal is a vaccine, but that is years down the road. There has been very little research done on CWD, and the basic research is not being done because the money is not there. He said that they do not know enough about CWD to give an answer to the question.

REP. THOMAS asked Allen Harmsen if the research is worth the money. **Allen Harmsen** said that they know that the disease moves quicker in deer than in elk. Also they know that deer can spread the disease. The disease is spreading and it is faster than they thought.

REP. THOMAS asked Allen Harmsen if the research is economically viable to the state. **Allen Harmsen** said at the very least there

needs to be a live test for CWD, so that they know where the problem is. There currently is a live test for deer, but not for elk.

REP. THOMAS asked Allen Harmsen if this research is successful would it enhance the elk hunting in Montana. **Allen Harmsen** said that there is no good scientific evidence that CWD will jump to humans, but with more and more elk and deer being infected the more likely the chance that it will jump to humans.

REP. THOMAS asked Allen Harmsen if he agreed or disagreed with this statement, "The group of people who will benefit the most are the hunters." **Allen Harmsen** said that he would like to agree and that is the reason for their research.

{Tape: 3; Side: A; Approx. Time Counter: 16.1 - 27.4}

REP. JACKSON asked David Stalling who wrote I-143. **David Stalling** said that a group of hunters with the help of the Montana Wildlife Federation, and the Bow Hunters Association and the review from a legal assistant wrote I-143. It was a group effort.

REP. JACKSON asked David Stalling if anyone was paid to gather signatures for I-143. **David Stalling** said that he did not know, and he was not paid for his time, he was a volunteer.

REP. JACKSON asked David Stalling what his issues are with this bill. **David Stalling** said the privatization and commercialization of the wildlife along with the disease issue. He also said that it makes a mockery out of hunting.

REP. JACKSON asked David Stalling if he raised cattle. **David Stalling** said, "No, I do not."

REP. JACKSON asked David Stalling if he would summarize the main points of I-143. **David Stalling** said that it outlawed canned hunting, and prevented a license transfer. They would still sell the meat, antlers, and other products.

REP. JACKSON asked David Stalling if the regulations of I-143 affected the market price of the elk. **David Stalling** said that it did affect the price of those who came to shoot big game animals.

REP. JACKSON asked David Stalling how much integrity does I-143 have, and if the court will approve of this document. **David**

Stalling said that he is not a lawyer, but he has talked to lawyers who say that it is not a takings.

REP. JACKSON asked Bob Spokie what is the difference in harvesting an elk and a steer. **Bob Spokie** said that harvesting an elk is just like harvesting a cow. The butcher comes out and it is the same process. But if they are on the hunting preservation it is a lot harder to harvest an elk.

{Tape: 3; Side: A; Approx. Time Counter: 29 - 30}

REP. BALLANTYNE asked David Stalling if he felt that using a 7mm rifle with a scope, dressed in camo with descent blocker on, was fair chase. **David Stalling** said that fair chase goes beyond the difficulty. The success rate of rifle and bow hunters speak for the difficulty of getting an animal. It is a matter of supporting the public system and buying tags. The public system provides the funds to manage the wildlife. He also said "Yes, it is fair chase."

{Tape: 3; Side: B; Approx. Time Counter: 0 - 3}

REP. BALLANTYNE asked David Stalling if he was in favor of game farms in 1995. **David Stalling** said that he has always been opposed to game farms, but was not involved in the issue in 1995.

REP. BALLANTYNE asked David Stalling if there was an initiative on the ballot to outlaw all hunting in Montana if this would be a takings. **David Stalling** said "No."

REP. BALLANTYNE asked David Stalling, "Why?" **David Stalling** said that it is the right of the state to regulate. He also said that he did not know because he was not a lawyer.

REP. BALLANTYNE asked John Bloomquist if it would be proper to take the funding from FWP and assess a fee on minerals for animal livestock to fund the program. **John Bloomquist** said that if CWD is the concern, then the utilization of funds from the wildlife is proper. If this is a wildlife-disease concern, then the wildlife industry money is appropriate to use.

REP. BALLANTYNE asked John Bloomquist, since the livestock industry will be benefitting shouldn't they help fund the program. **John Bloomquist** said that CWD is not a livestock disease concern, rather it is a wildlife-disease concern. He said that he is not ruling out any funding sources, but the concerns and the effects of CWD are in the wild.

REP. SMITH asked Bob Lane if this bill would jeopardize federal dollars. **Bob Lane** said, "Yes, and they are checking into the diversion question." Rep. Peterson wrote a letter to the U.S. Fish Wildlife Service addressing this issue. They intended to get an answer to the diversion question.

REP. SMITH asked David Stalling if his issue was with CWD or with fair chase. **David Stalling** said it is more than a CWD issue, it is a lot of issues, and fair chase is one of them along with CWD.

REP. SMITH asked David Stalling if he has worked with game farm issues for a while. **David Stalling** said, "Yes, both on his own time and as a writer, for about six or seven years now."

REP. SMITH asked David Stalling what was his position in 1994. **David Stalling** said that he has been opposed to game farms for a long time.

REP. SMITH asked David Stalling what his issue is because in 1994 the issue was different than in 1995 and in 1999. **David Stalling** said that he has been consistent and his concerns have been the same issues all along.

REP. SMITH asked John Bloomquist if there has been a court decision in any of these cases. **John Bloomquist** said, "A court has not decided the takings issue, no."

REP. LAMBERT asked Robert Throssell what he thought I-143 was about. **Robert Throssell** said that it is about a variety of issues including CWD, fair chase, and the privatization of elk.

REP. LAMBERT asked Mark Taylor if there has been a court case decision on the takings issue. **Mark Taylor** said, "No there has not been a decision, but there have been two opinions written in regard to the takings issue."

REP. THOMAS asked David Stalling if he supported research of CWD. **David Stalling** said, "Yes, I do support research."

REP. JACKSON asked Dale Burk if he objected to shooting an elk on 160 acres that is fenced. **Dale Burk** said that he would object to that, and it is not right.

REP. JACKSON asked Dale Burk if a horse is wildlife. **Dale Burk** said, "No."

REP. WAITSCHIES asked David Stalling if this policy of no commercialization and privatization should be expanded to the

fisheries, bird farms, and the wolves. **David Stalling** said privatization is tied to commercialization as where it is not funding the public management of wildlife. The wildlife belong to everyone.

REP. WAITSCHIES asked David Stalling if his main concern is that someone is making a profit. **David Stalling** said, "No, my main concern is that this undermines wildlife management that was put into place in the early 1900's."

REP. SMITH asked David Stalling if the fish and game auctions were commercialization. **David Stalling** said, "Yes, they are, but they support the public management system."

REP. SMITH asked David Stalling who controlled the animals in the 1800's. **David Stalling** said that Teddy Roosevelt and the Boone and Crocket Club were developed to manage the wildlife.

{Tape: 4; Side: A; Approx. Time Counter: 1.6 - 9.5}

REP. RICE asked Bob Lane what the \$200,000 in House Bill 2 is for. **Bob Lane** said that funding is for providing a testing source for CWD in wild animals.

REP. RICE asked Bob Lane what FWP paid per animal to the Philipsburg game farm. **Bob Lane** said that FWP paid \$50 per animal and the Department of Livestock paid \$50 per animal, and the alternative livestock industry also paid money.

REP. RICE asked Bob Lane if FWP purchased fencing for hay stacks. **Bob Lane** said that they have a fund that is used to help farmers and ranchers when wildlife are hurting their land.

REP. RICE asked Bob Lane if he knew what they pay for fencing per foot. **Bob Lane** said that he did not know what the price for that is, and it is a different type of fencing.

REP. RICE asked Bob Lane about this money being a diversion. **Bob Lane** said that it is a matter of degree in relationship to fish and wildlife management activities in the state.

REP. JACKSON asked John Bloomquist, if takings is the main issue would HB 379 be the bill. **John Bloomquist** said that the takings is probably best addressed in HB 379.

REP. JACKSON asked David Stalling, if takings is the main issue would HB 379 be the bill. **David Stalling** said that he would like

to see a complete elimination of game farms. I-143 did not completely eliminate the threats of disease, but it helped.

REP. JACKSON asked David Stalling if he had to support one of these bills which would it be. **David Stalling** said that the people of the state have spoken with I-143. He said that if he had to support one of these bills it would be this one, HB 759, but he does not support this bill.

Closing by Sponsor:

{Tape: 4; Side: A; Approx. Time Counter: 16 - 22.6}

REP. PETERSON said that the subcommittee's goal was to find some common ground, and this bill does this. The game farms in this bill have the most to loose and the sportsmen have the most to gain, which would be a possible vaccine for CWD. It is very interesting that the people who have the most to loose are supporting the bill and the people who have the most to gain are opposing this bill. The reason is because of money. Fee hunting is nothing new, everyone pays a fee to hunt. Game farmers entered into this industry at the urging of this body. In 1995 a buyout was ok with the sportsmen, but now it is not. He urged the Committee to support this bill.

{Tape: 4; Side: B; Approx. Time Counter: 0 - 4.5}

EXECUTIVE ACTION ON SJR 8

Motion/Vote: **REP. BERGREN** moved that SJR 8 BE CONCURRED IN. Motion carried 13-3 with REPS. LAMBERT, MALCOLM, and THOMAS voting no, by roll call vote.

EXECUTIVE ACTION ON SB 213

Motion/Vote: **REP. LAMBERT** moved that SB 213 BE CONCURRED IN. Motion carried 16-0, by voice vote.

EXECUTIVE ACTION ON HB 759

Motion: **REP. PETERSON** moved that HB 759 DO PASS.

Motion: **REP. WAITSCHIES** moved that HB 759 BE AMENDED.

Discussion:

REP. WAITSCHIES explained the amendment to the Committee.
EXHIBIT (agh63a20)

REP. SMITH asked **REP. WAITSCHIES** how do you know what they get for their fee. **REP. WAITSCHIES** said that you would have to look at their income tax report.

REP. LAMBERT said that she was against this amendment, because there is no incentive to immediately slaughter their elk.

REP. PETERSON asked **REP. WAITSCHIES** a clarification question on the amendment.

REP. PETERSON said that he reluctantly supported this amendment.

{Tape: 4; Side: B; Approx. Time Counter: 10.7 - 11.8}

Krista Lee Evans helped clarify the amendment to the Committee.

REP. JACKSON asked **REP. PETERSON** if the meat will be utilized if it is dropped to 50%. **REP. PETERSON** said that maybe the 50% should be changed to 25%.

Krista Lee Evans helped clarify the 50% in the amendment to the Committee.

REP. BERGREN asked **Krista Lee Evans** about the cost of this bill. **Krista Lee Evans** explained how they got the numbers in the bill.

REP. SMALL-EASTMAN said that since I-143 the producers have lost a lot of money, and the Committee needs to remember those costs.

REP. BALLANTYNE said that this bill might struggle on the House floor without this amendment, and it is a good approach.

Vote: Motion that HB 759 BE AMENDED failed 8-8 with REPS. **ANDERSEN, BALLANTYNE, BERGREN, MALCOLM, PETERSON, RICE, THOMAS,** and **WAITSCHIES** voting aye, by roll call vote.

Substitute Motion: **REP. PETERSON** made a substitute motion that HB 759 BE AMENDED.

Discussion:

REP. PETERSON explained the substitute motion to the Committee.

REP. WAITSCHIES said that he opposed the substitute motion.

Vote: Substitute Motion that HB 759 BE AMENDED failed 6-10 with REPS. **BIXBY, JACKSON, PETERSON, RICE, SMITH,** and **STEINBEISSER** voting aye, by roll call vote.

{Tape: 4; Side: B; Approx. Time Counter: 23.9 - 24.5}

REP. SMALL-EASTMAN said that the ranchers need to be compensated.

REP. BALLANTYNE said that he is concerned with how this bill is being funded.

REP. LAMBERT said that her district voted three to one against I-143, and therefore will vote for this bill.

REP. SMITH said that he is going to support the bill as it is, and it is only fair to help the ranchers out.

REP. LENHART said that he will be voting no, because he does not like the money coming out of fish and game licensing.

REP. PETERSON said that he urged the Committee to support this bill. The compensation is fair, but there will be an issue on the House floor.

REP. JACKSON said that the hunters should not be objecting to the money coming out of the hunting fees if the hunters of Montana wanted I-143. Also if CWD is the issue then this bill is the solution.

{Tape: 5; Side: A; Approx. Time Counter: 0 - 1.7}

REP. THOMAS said that they want it all but they do not want to pay for it. He urged the Committee to support this bill.

REP. WAITSCHIES said that he could not support this bill with the amount of money in this bill.

Vote: Motion that HB 759 DO PASS carried 11-5 with REPS.

BERGREN, BIXBY, LENHART, RYAN, and WAITSCHIES voting no, by roll call vote.

ADJOURNMENT

Adjournment: 7:20 P.M.

REP. DIANE RICE, Chairman

LISA GALLAGHER, Secretary

DR/LG

EXHIBIT (agh63aad)